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**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**In re:**

**LEHMAN BROTHERS HOLDINGS INC., et al.,  
  
Debtors.**

**Chapter 11**

**Case No. 08-13555-scc**

**AFFIRMATION IN SUPPORT OF *EX PARTE* APPLICATION  
FOR THE ENTRY OF AN ORDER TO SHOW CAUSE AND SETTING A HEARING ON  
THE MOTION OF STEARNS LENDING, LLC PURSUANT TO RULE 60(b)(6) OF THE  
FEDERAL RULES OF CIVIL PROCEDURE FOR AN ORDER VACATING THE  
“ALTERNATIVE DISPUTE RESOLUTION PROCEDURES ORDER FOR  
INDEMNIFICATION CLAIMS OF THE DEBTORS AGAINST MORTGAGE LOAN  
SELLER, STEARNS LENDING, LLC f/k/a STEARNS LENDING, INC.”**

Stearns Lending, LLC f/k/a Stearns Lending Inc. (“Stearns Lending”) hereby files this *ex parte* application (“Application”) for entry of an Order to Show Cause, substantially in the form of the order attached hereto as Exhibit A, staying Stearns Lending’s obligations under this Court’s Alternative Dispute Resolution Procedures Order for Indemnification Claims of the Debtors Against Mortgage Loan Seller, Stearns Lending, LLC f/k/a Stearns Lending, Inc. (the “ADR Order”) and setting a hearing on an expedited basis on Stearns Lending’s Motion pursuant to *Rule 60(b)(6)* of the *Federal Rules of Civil Procedure* seeking to vacate same.

**BASIS FOR RELIEF**

1. On July 21, 2014, the Court entered the ADR Order directing debtor Lehman Brothers Holdings Inc. (“LBHI”) and Stearns Lending to engage in certain Alternative Dispute

Resolution Procedures in connection with alleged indemnification claims held by LBHI against Stearns Lending.

2. On January 26, 2015, Stearns Lending received an Indemnification ADR Package (the "Claim") from LBHI which, pursuant to the terms of the ADR Order, activated a twenty-eight day period during which Stearns Lending must respond.

3. In preparing its response to the Claim however it became apparent that LBHI does not hold any enforceable claims against Stearns Lending as a matter of law as: (1) LBHI does not possess a right to be indemnified by Stearns Lending; and (2) any claims assigned to LBHI are barred by the statute of limitations.

4. In light of the foregoing, and in order to prevent LBHI and Stearns Lending from incurring the substantial cost of preparing for and participating in premature mediation, Stearns Lending submits that sufficient cause exists to have its Motion heard on an emergency basis.

**NO PRIOR REQUEST**

5. No previous request for the relief requested herein has been made to this or any other court.

**WHEREFORE**, for the reasons set forth herein, Stearns Lending respectfully requests that this Court enter an order, substantially in the form attached hereto as Exhibit A, (i) granting the relief requested herein and (ii) granting Stearns Lending such other and further relief as the Court deems proper and just.

Dated: February 13, 2015  
New York, NY

/s/ Timothy W. Salter  
Jill E. Alward, Esq.  
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The Chrysler Building  
405 Lexington Ave.  
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**EXHIBIT A**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

**In re:**

**LEHMAN BROTHERS HOLDINGS INC., *et al.*,**

**Debtors.**

**Chapter 11**

**Case No. 08-13555-scc**

**[PROPOSED] ORDER TO SHOW CAUSE**

This matter having come before this Court by the *ex parte* application (the “Application”) of Stearns Lending, LLC f/k/a Stearns Lending, Inc. (“Stearns Lending”), for the entry of an order to show cause, granting a stay, and seeing a hearing on an expedited basis on Stearns Lending’s motion (“Motion”) for entry of an order pursuant to *Rule 60(b)(6)* of the *Federal Rules of Civil Procedure* seeking to vacate the “Alternative Dispute Resolution Procedures Order for Indemnification Claims of the Debtors Against Mortgage Loan Seller, Stearns Lending, LLC f/k/a Stearns Lending, Inc.,” (the “Order”) and the Court having considered the Application, and for good cause shown, it is hereby:

**ORDERED**, that the Defendants show cause before the Honorable Shelley C. Chapman, United States Bankruptcy Judge, United States Bankruptcy Court, One Bowling Green, Room 623, New York, NY 10004-1408, on the \_\_\_\_\_ day of \_\_\_\_\_, 2015 at 10:00 a.m., or as soon thereafter as counsel can be heard, why an order should not be issued and entered vacating the Order.; and it is further

**ORDERED** that Stearns Lending’s obligation to respond to the Indemnification ADR Package within twenty-eight (28) days of its service by LBHI is hereby stayed pending the entry of a further order by this Court; and is further

**ORDERED** that service of a copy of this Order and Motion shall be made upon Wollmuth Maher & Deutsch LLP, counsel for LBHI by express overnight mail no later than \_\_\_\_\_, 2015, which service shall be deemed good and sufficient service thereof; and it is further

**ORDERED** that to the extent LBHI desires to respond to the Motion, such response must be served on Blank Rome LLP, counsel for Stearns Lending, no later than \_\_\_\_\_, 2015; and it is further

**ORDERED** that the reply papers of Stearns Lending, if any, must be served on or before \_\_\_\_\_, 2015.

Dated: New York, New York  
February \_\_, 2015

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UNITED STATES BANKRUPTCY JUDGE